

**REPORT OF THE
BOARD OF DIRECTORS OF THE
COOK COUNTY HEALTH AND HOSPITALS SYSTEM**

AUGUST 22, 2008

ATTENDANCE

Present: Chairman Warren L. Batts; Vice Chairman Ramirez and Directors David A. Ansell, MD, MPH; Hon. Jerry Butler; Quin R. Golden; Benn Greenspan, PhD, MPH, FACHE; Director Sister Sheila Lyne, RSM; Heather E. O'Donnell, JD, LLM; and Andrea Zopp (9)

Absent: Directors David Carvalho and Luis Muñoz, MD, MPH (2)

Also Present: Matthew B. DeLeon – Secretary to the Board of Commissioners of Cook County; Jeff McCutchan – Supervisor, Transactions and Health Law Division, Office of the State's Attorney; Elizabeth Reidy - Deputy Chief, Civil Actions Bureau, Office of the State's Attorney; David R. Small – Interim Chief Executive Officer, Cook County Bureau of Health Services

Ladies and Gentlemen:

Your Board of Directors of the Cook County Health and Hospitals System met pursuant to notice on Friday, August 22, 2008 at the hour of 7:30 A.M. at Stroger Hospital, 1901 W. Harrison Street, in the fifth floor conference room, in Chicago, Illinois.

Your Board of Directors has considered the following items and upon adoption of this report, the recommendations follow.

Matthew B. DeLeon, Secretary to the Board of Commissioners of Cook County, called the roll of members and it was determined that a quorum was present.

APPROVAL OF MINUTES

Approval of the minutes of the meeting of the Cook County Health and Hospitals System Board of Directors of Thursday, August 7, 2008 at 7:30 A.M.

Director Butler, seconded by Director Ansell, moved to approve the minutes of the meeting of the Cook County Health and Hospitals System Board of Directors of Thursday, August 7, 2008. THE MOTION CARRIED UNANIMOUSLY.

REPORT FROM THE SYSTEM INTERIM CHIEF EXECUTIVE OFFICER

David R. Small, Interim Chief Executive Officer of the Bureau of Health Services, provided a status report on several issues.

Mr. Small stated that on May 29th, there was a trauma site designation visit by the Illinois Department of Public Health. Subsequently, a letter was received in July that re-designated the Trauma Center as a Level One Trauma Center until December 31, 2010.

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Mr. Small provided the Board with an update on the perinatal site visit by the Illinois Department of Public Health (IDPH). He stated that a letter has been received from IDPH that indicates the continuing certification of the perinatal service. However, they will revisit in January, in order to ensure that County's action plan is in fact occurring.

Mr. Small then provided the Board with an update on recruitment efforts for a Corporate Compliance Officer. He stated that over two dozen of letters of interest have been received from very highly qualified individuals; within a week he will start to bring in the initial screened candidates for the first round of interviews.

Director Zopp asked Mr. Small what are the processes used in recruitment efforts which would ensure a diverse slate, with regard to gender, ethnic and racial makeup.

Mr. Small responded that he expects to bring in highly qualified individuals who will help meet diversity goals.

Director Zopp asked whether Mr. Small or the County's Bureau of Human Resources was reviewing resumes.

Mr. Small responded that he was reviewing the resumes to ensure that the individuals meet the minimum qualifications before they are presented to the interview team. He is still forming the interview team; some of the members of the team will be senior and mid-level managers, and some will have direct auditing and financial backgrounds. He will also confer with Jonathan Rothstein, Acting Chief of Cook County's Bureau of Human Resources, to determine which individuals from the County may be involved in the process.

Director Zopp, seconded by Vice Chairman Ramirez, moved that the Directors should be engaged and participate in the selection process for key executive positions for the System.

Director Ansell suggested that the Human Resources Committee work with staff to develop a policy relating to diversity and recruitment efforts; additionally, he suggested that the Committee should review the demographics of candidates after a search.

Chairman Batts added that the Board should receive a copy of the County's policy to review.

Director Greenspan suggested that a member of the Audit Committee be involved in the selection process for the position of Corporate Compliance Officer.

On the motion, a voice vote was taken and THE MOTION CARRIED UNANIMOUSLY.

Mr. Small informed the Board of recruitment efforts with regard to the position of interim Chief Financial Officer for Stroger Hospital. He stated that Johnny Brown, Chief Operating Officer of Stroger Hospital; John Morales, Cook County Comptroller and Acting Interim Chief Financial Officer of Stroger Hospital of Cook County; Joseph Fratto, Chief of Staff for President Todd H. Stroger; and himself interviewed a highly qualified individual willing to fill the interim position almost immediately. He stated that there were difficulties attracting the right kind of candidates for the permanent position through normal advertising. He asked for direction from the Board to utilize an outside search firm to identify candidates for the position of permanent Chief Financial Officer for Stroger Hospital.

Director Lyne inquired whether the Healthcare Financial Management Association (HFMA) had been contacted with regard to the search.

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Mr. Small responded that Pitt Calkin, Interim Chief Financial Officer for the Bureau of Health Services, did speak with the HFMA, but they could not identify suitable candidates. He added that the National Association of Public Hospitals and the American College of Healthcare Executives had also been contacted, with the same results.

Chairman Batts suggested that the Human Resources Committee discuss at a policy level the options available for the System to use a search firm for recruitment for such positions.

Director Zopp inquired whether there is a budget for search firms.

Mr. Small responded in the negative; unexpended funds in other categories would need to be used for this purpose.

Chairman Batts stated that the 2009 budget should have dollars appropriated for staffing purposes, so that the Board does not have to get into budget line item issues going forward.

Director Zopp stated that it was her understanding that the recruiting function would be inserted into the budget; discussions have taken place and will continue on the subject in the Human Resources Committee.

Mr. Small concluded his presentation by providing the Board with an overview of changes and additions to the Bureau's website that are currently in process. He stated that the plan is to use the website more effectively to communicate information to the public about the System.

Director Ansell indicated that he is distressed by the lack of data even at the most basic level; data on average daily census and occupancy/length of stay by service should be received on at least a monthly basis. He asked when the Board would be receiving this type of information.

Mr. Small responded that daily and weekly reports are produced internally with these types of data; he indicated that a high level summary could be produced almost immediately. He stated that data through last week could be emailed to the Board after the meeting. On a monthly basis going forward, starting at a meeting in September it can be provided for the Board's review and discussion.

Director Lyne inquired whether information regarding Med Assets would be included.

Mr. Small replied that information on Med Assets is currently being reported to the Finance Committee on a bi-weekly basis, and is detailed in the Committee's reports.

COMMITTEE REPORTS

Audit Committee.....Meeting of 8-13-08

Director Greenspan, seconded by Director Butler, moved to approve the Report of the Audit Committee for the meeting of August 13, 2008. THE MOTION CARRIED UNANIMOUSLY.

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COMMITTEE REPORTS (Continued)

Finance Committee.....Meeting of 8-18-08*

* note: Contracts and Procurement Items were approved by the Finance Committee at this meeting.

Director Golden, seconded by Vice Chairman Ramirez, moved to approve the Report of the Finance Committee for the meeting of August 18, 2008. THE MOTION CARRIED UNANIMOUSLY.

Human Resources Committee.....Meeting of 8-18-08*

* note: Physician Salary Reclassifications were approved by the Human Resources Committee at this meeting.

Director Zopp, seconded by Director Lyne, moved to approve the Report of the Human Resources Committee for the meeting of August 18, 2008. THE MOTION CARRIED UNANIMOUSLY.

OLD BUSINESS

Review and discussion of the initiation of a Strategic Planning Process.

Presented by Directors Greenspan and Golden

Director Golden began by stating that she and Director Greenspan had several meetings and met with staff to discuss the data needed for the strategic planning process. As a result of these meetings, it was apparent that there needs to be two planning processes: those relating to strategic planning and those relating to stabilization. Although the focus for the immediate task relates to strategic planning, it was observed that with regard to operational stabilization, there are other tasks which must also be addressed right now. Immediate attention should be given to questions such as how to stop the financial bleeding, what are the ramifications of budgetary cuts and what is the strategy for executive compensation.

Director Greenspan stated that in order to move forward, the System needs a process that has goals and a realistic assessment of the environment. The workgroups have been assembled and will require several months of intense work to develop the assessment upon which any objective-setting or strategy-setting will be based. It is hoped that it will culminate around the same time that the permanent Chief Executive Officer is committing to the System, after which the Board can implement the planning process envisioned.

The first meeting of key stakeholders would take place in October, at which time the process would be presented. The next meeting of key stakeholders probably would not happen until 2009 when a new Chief Executive Officer is in place. During the interim period, each month the culminating body of information would be presented to the Board for their review.

Director Ansell stated that stabilization strategies and projects need to be defined and identified quickly; stabilization due to a likely budget deficit should be the first priority.

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Director Lyne referenced prior work that had been done by at least two transition committees whose reports were not that different.

Director Golden stated that the Blue Ribbon Report and the Transition Report could be used as a basis for how the System operates right now, in order to fix existing problems.

Chairman Batts inquired whether the Board would be given a model or timetable.

Director Greenspan replied in the affirmative.

Proposed System Committee Meeting Dates for Calendar Year 2008

2008 Proposed Meeting Dates

Finance Committee

Presented by Finance Committee Chairman David Carvalho

Monday, August 18, 2008	10:00 A.M. - 1:00 P.M.
Thursday, August 28, 2008	10:00 A.M. - 1:00 P.M.
Friday, September 12, 2008	10:00 A.M. - 1:00 P.M.
Friday, September 26, 2008	10:00 A.M. - 1:00 P.M.
Friday, October 10, 2008	7:30 A.M. - 10:00 A.M. <u>10:00 A.M. - 1:00 P.M.</u>
Thursday, October 23, 2008	10:00 A.M. - 1:00 P.M.
Friday, November 7, 2008	7:30 A.M. - 10:00 A.M.
Monday, November 24, 2008	10:00 A.M. - 1:00 P.M.
Friday, December 12, 2008	10:00 A.M. - 1:00 P.M.

2008 Proposed Meeting Dates

Human Resources Committee

Presented by Human Resources Committee Chairman Andrea Zopp

Monday, August 18, 2008	7:30 A.M. - 10:00 A.M.
Thursday, August 28, 2008	7:30 A.M. - 10:00 A.M.
Friday, September 12, 2008	7:30 A.M. - 10:00 A.M.
Friday, September 26, 2008	7:30 A.M. - 10:00 A.M.
Thursday, October 9 <u>10</u> , 2008	7:30 A.M. - 10:00 A.M.
Thursday, October 23, 2008	7:30 A.M. - 10:00 A.M.
Thursday, November 6, 2008	7:30 A.M. - 10:00 A.M.
Monday, November 24, 2008	7:30 A.M. - 10:00 A.M.
Friday, December 12, 2008	7:30 A.M. - 10:00 A.M.

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Proposed System Committee Meeting Dates for Calendar Year 2008 (Continued)

2008 Proposed Meeting Dates
Quality and Patient Safety Committee

Presented by Quality and Patient Safety Committee Chairman David Ansell, MD, MPH

Tuesday, August 26, 2008	1:00 P.M. – 3:00 P.M.
Tuesday, September 23, 2008	12:00 P.M. – 2:00 P.M.
Tuesday, October 21, 2008	12:00 P.M. – 2:00 P.M.
Tuesday, November 25, 2008	12:00 P.M. – 2:00 P.M.
Tuesday, December 23, 2008	12:00 P.M. – 2:00 P.M.

Director Zopp, seconded by Director Greenspan, moved to approve the Proposed Meeting Dates for the Finance, Human Resources and Quality and Patient Safety Committees, as amended. THE MOTION CARRIED UNANIMOUSLY.

NEW BUSINESS

Appointment of System Board Directors
to Hospital Medical Staff Joint Conference Committees

Mr. Small explained the purpose of the joint conference committees at the hospitals. He stated that it is a mechanism for the Board, medical staffs and administration to have discussions on medical staff and other related issues. There needs to be an appointment of Directors from governance to those committees. He suggested that the Board should appoint the same three directors to the three joint conference committees, and that the three committees begin to hold their meetings on the same day, sequentially.

Director Ansell, seconded by Director Zopp, moved to appoint the following Directors to serve on the three joint conference committees: Director Ansell, Director Muñoz and Director Butler, with Director Greenspan serving as an alternate. THE MOTION CARRIED UNANIMOUSLY.

Recruitment of Chief Executive Officer – permanent

Recruitment of Interim Chief Medical Officer for the Bureau of Health Services

Director Zopp, seconded by Director Lyne, moved to recess the regular session and convene into closed session, pursuant to an exception to the Illinois Open Meetings Act, 5 ILCS 120/2(c)(17), et seq., which permits closed meetings for consideration of “The recruitment, credentialing, discipline or formal peer review of physicians or other health care professionals for a hospital, or other institution providing medical care, that is operated by the public body.” THE MOTION CARRIED UNANIMOUSLY.

Director Zopp, seconded by Director Lyne, moved to adjourn the closed session and convene into regular session. THE MOTION CARRIED UNANIMOUSLY.

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Director Lyne, seconded by Director Golden, moved to retain the search firm of Quick Leonard Kieffer for the purpose of recruiting a permanent Chief Executive Officer. THE MOTION CARRIED UNANIMOUSLY.

Discussion of Policy and Procedures for Board of Directors

Director Ansell, seconded by Director O'Donnell, moved that the Board Chairman be the person who communicates Board related issues with the public and media.

Chairman Batts stated that he has asked the State's Attorney's Office to draft a policy with regard to this; it will be presented to the Board for their review and approval.

On the motion, a voice vote was taken and THE MOTION CARRIED UNANIMOUSLY.

Director Ansell asked for information on the process for appointing non-Director members to committees and whether those names should be coming to the full Board for their approval.

Elizabeth Reidy, Deputy Chief of the Civil Actions Bureau of the Office of the State's Attorney, replied that the Rules state that the Board Chairman makes the appointment of Director members and non-Director members of committees. She recommended that if a committee chair wishes that the Board Chairman appoint additional members, that he or she communicate that to the Board Chairman; a letter from Board Chairman should be sufficient to reflect the appointment of the member.

Chairman Batts indicated that he preferred receiving the consent of the Board for appointments of members to committees; it could be placed as an item on the agenda for consideration by the Board. He requested that the committee chairs communicate to the Board Chairman their request to appoint a member, and it would be placed on the Board Agenda. If there is a consensus by the Board, then he will make the appointment.

Director Greenspan, seconded by Director Zopp, moved that all non-Director committee members be recommended to the Board Chairman for discussion and approval by the Board and be a standing item on the agenda.

Director Zopp recommended that the Rules not be changed, as the Board Chairman has kept the Board notified, and has indicated that he will continue to do so.

Following discussion, the motion was WITHDRAWN.

Public Comments

Chairman Batts asked the Secretary to call upon the registered speakers.

Secretary DeLeon called upon the following registered speaker:

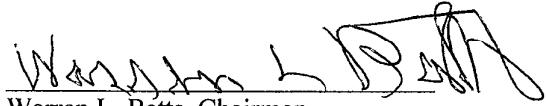
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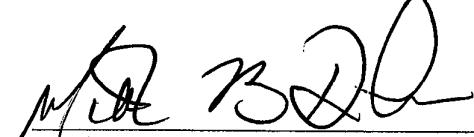
Adjournment

Director Greenspan, seconded by Director Lyne, moved to adjourn. THE MOTION CARRIED UNANIMOUSLY AND THE MEETING ADJOURNED.

Respectfully submitted,
Board of Directors of the
Cook County Health and Hospitals System


Warren L. Batts, Chairman

Attest:


Matthew B. DeLeon, Secretary